



**BOATMEN'S[®]
FIRST NATIONAL BANK
OF KANSAS CITY**

10th and Baltimore
Post Office Box 419038
Kansas City, Missouri 64183
816 221-2800

6-13970

MARCH 7, 1996

INTERSTATE COMMERCE COMMISSION
12TH AND CONSTITUTION N.W.
WASHINGTON D.C. 20423

ATTN: NORETA MCGEE

RE: BRANSON SCENIC RAILWAY, INC.

DEAR MS. MCGEE:

PLEASE FINE ENCLOSED TWO (2) CHATTEL MORTGAGES I AM SENDING YOU FOR
RECORDING. PLEASE RECORD THEM BOTH AND RETURN ONE (1) TO ME AT THE
FOLLOWING ADDRESS: BOATMEN'S FIRST NATIONAL BANK OF KANSAS CITY

ATTN: KHRIS KASPER
14 WEST 10TH ST. KMMLL01
KANSAS CITY, MO. 64105

ALSO ENCLOSED PLEASE FIND A CASHIERS CHECK IN THE AMOUNT OF \$120.00 FOR
RECORDING FEES.

IF YOU HAVE ANY QUESTIONS PLEASE CALL ME AT (816) 691-4027

SINCERELY;

Khris Kasper

KHRIS KASPER
COMMERCIAL LOAN PROCESSOR

MAR 12 3 31 PM '96

#2102 - refund being sent.

**SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001**

3/12/96

Khris Kasper
Boatmen's First National Bank of Kansas
City
10th and Baltimore
P. O. Box 419038
Kansas City, Missouri 64183

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/12/96 at 3:35PM , and assigned recordation number(s). 19970.

Sincerely yours,

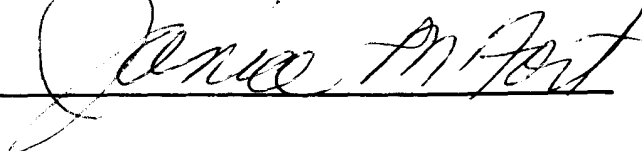
**Vernon A. Williams
Secretary**

Enclosure(s)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Refund is bein sent for \$99.00.

Signature



CHattel MORTGAGE

Branson Scenic Railway, Inc. ("Mortgagor"), a Missouri corporation, whose address is 206 East Main, Branson, Missouri 65616, to secure payment of the indebtedness described below,

HEREBY CONVEYS AND MORTGAGES to Boatmen's Bank of Kansas ("Mortgagee"), 9500 Mission Road, Overland Park, Kansas 66206 and its successors and assigns, the following chattel(s), including all Systems added to or installed upon each and all other present and future attachments and accessories thereto and all replacements and proceeds thereof, and including amounts payable under any insurance policy, all hereinafter referred to collectively as Chattel(s):

GP 30 EMD DIESEL LOCOMOTIVE ROAD #4265

To have and to hold said Chattels unto Mortgagee and Mortgagee's sole use forever.

PROVIDED THAT IF MORTGAGOR SHALL PAY to Mortgagee all sums due to Mortgagee under that certain Promissory Note (the "Note") of Mortgagor of even date herewith payable to the order of Mortgagee and fulfill all of Mortgagor's obligations under the Note and under this Chattel Mortgage, then this Mortgage shall be void, otherwise to remain in full force and effect.

1. Mortgagor's Warranties, Representations and Covenants.

Mortgagor warrants, represents and covenants, for itself and its successors and assigns, with Mortgagee as follows:

- (a) Mortgagor is justly indebted to Mortgagee for the full amount of the foregoing indebtedness and interest thereon.
- (b) Mortgagor lawfully possesses and owns the Chattels free from all claims and encumbrances and warrants and shall defend them at its own cost against all claims and demands whatsoever.
- (c) Mortgagor will keep the Chattels free from all liens, claims, security interests and encumbrances.
- (d) Mortgagor will pay promptly when due all taxes, license fees and other public or private charges levied or assessed against the Chattels, this Mortgage or the Note and satisfy all liens against the Chattels, and this obligation shall survive the termination of this Mortgage.
- (e) No financing statement covering the Chattels or any proceeds thereof is on file in favor of anyone other than Mortgagee but, if such other financing statement is on file, it will be terminated or subordinated. No mortgage, lease, equipment trust agreement, conditional sales agreement, security agreement or other instrument evidencing the mortgage, lease, conditional sale or

bailment of or grant of a security interest in the Chattels in favor of anyone other than Mortgagee is on file with the Interstate Commerce Commission but, if such other instrument is on file, it will be terminated or subordinated.

- (f) All information supplied and statements made by Mortgagor in any financial, credit or accounting statement or application for credit prior to, contemporaneously with or subsequent to the execution of this Mortgage are and shall be true, correct, complete, valid and genuine.
- (g) Mortgagor will not misuse, fail to keep in good repair, secrete, or without the prior written consent of Mortgagee encumber any of the Chattels.
- (h) Mortgagee may enter upon Mortgagor's premises at any reasonable time to inspect the Chattels and Mortgagor's books and records pertaining to the Chattels and Mortgagor shall assist Mortgagee in making such inspection.
- (i) The Chattels constitute and will constitute continuing security for all of the obligations of Mortgagor to Mortgagee, now existing or hereafter arising, direct or indirect, absolute or contingent, due

or to become due, matured or unmatured, liquidated or unliquidated, arising by contract, operation of law or otherwise, including without limitation, all obligations arising under the Note, in each case if such instrument as originally executed or as modified, amended, supplemented or extended, and all obligations of the Mortgagor arising out of any extension, refinancing or refunding of any of the foregoing obligations.

2.Events of Default; Acceleration.

The following are events of default under this Mortgage which will allow Mortgagee to take such action under this Paragraph and under Paragraph 3 as it deems necessary:

- (a) any of Mortgagor's obligations to Mortgagee under this Mortgage, the Note or any promissory note, agreement or other instrument with Mortgagee is not paid promptly when due;
- (b) Mortgagor breaches any warranty or provision hereof, or of the Note or of any other instrument or agreement delivered by Mortgagor to Mortgagee in connection with this or any other transaction;
- (c) a lien, encumbrance or security interest is imposed on the Chattels;

- (d) it is determined that Mortgagor has given Mortgagee materially misleading information regarding its financial condition;
- (e) any of the Chattels are lost, or destroyed or damaged beyond repair;
- (f) Mortgagor becomes insolvent or ceases to do business as a going concern;
- (g) a petition or complaint in bankruptcy or for arrangement or reorganization or for relief under any insolvency law is filed by or against Mortgagor or Mortgagor admits its inability to pay its debts as they mature;
- (h) property of Mortgagor is attached or a receiver is appointed for Mortgagor;
- (i) whenever Mortgagee in good faith believes the prospect of payment or performance is impaired or in good faith believes the Chattels are insecure; or
- (j) any guarantor, surety or endorser for Mortgagor dies or defaults in any obligation or liability to

Mortgagee or any guaranty obtained in connection with this transaction is terminated or breached.

If Mortgagor shall be in default hereunder, the indebtedness herein described and all other indebtedness then owing by Mortgagor to Mortgagee under this or any other present or future agreement (collectively, the "indebtedness") shall, if Mortgagee shall so elect, become immediately due and payable without notice. In no event shall the Mortgagor upon demand by Mortgagee for payment of the indebtedness, by acceleration of the maturity thereof or otherwise, be obligated to pay any interest in excess of the amount permitted by law. Any acceleration of indebtedness, if elected by Mortgagee, shall be subject to all applicable laws, including laws relating to rebates and refunds of unearned charges.

3. Mortgagee's Remedies After Default; Consent to Enter Premises.

Upon Mortgagor's default and at an time thereafter, Mortgagee shall have all the rights and remedies of a secured party under the Uniform Commercial Code of Kansas and any other applicable laws, including the right to any deficiency remaining after disposition of the Chattels, for which Mortgagor agrees to remain fully liable.

Mortgagor agrees that Mortgagee, by itself or its agent, may without notice to any person and without judicial process of any kind, enter into any premises or upon any land owned, leased or otherwise under the real or apparent control of Mortgagor or any agent of Mortgagor where the Chattels may be or where Mortgagee believes the Chattels may be, and disassemble, render unusable

Chattels subject to such agreement for the full insurable value thereof for the life of this Mortgage plus breach of warranty insurance and such other insurance thereon in amounts and against such risks as Mortgagee may specify, and shall promptly deliver each policy to Mortgagee with a standard long-form Mortgagee's endorsement attached thereto showing loss payable to Mortgagee; and providing Mortgagee with not less than 30 days written notice of cancellation; each such policy shall be in form, terms and amount and with insurance carriers satisfactory to Mortgagee; Mortgagee's acceptance of policies in lesser amounts or risks shall not be a waiver of Mortgagor's foregoing obligations. As to Mortgagee's interest in such policy, no act or omission of Mortgagor or any of its officers, agents, employees or representatives shall affect the obligations of the insurer to pay the full amount of any loss.

(a) to hold each original insurance policy, (b) to make, settle and adjust claims under each policy of insurance, (c) to make claims for any monies which may become payable under such and other insurance on the Chattels including returned or unearned premiums, and (d) to endorse Mortgagor's name on any check, draft or other instrument received in payment of claims or returned or unearned premiums under each policy and to apply the funds to the payment of the indebtedness owing to Mortgagee; provided, however, Mortgagee is under no obligation to do any of the foregoing.

Should Mortgagor fail to furnish such insurance policy to Mortgagee, or to maintain such policy in full force, or to pay any

premium in whole or in part relating thereto, then Mortgagee without waiving or releasing any default or obligation by Mortgagor, may (but shall be under no obligation to) obtain and maintain insurance and pay the premium therefor on behalf of Mortgagor and charge the premium to Mortgagor's indebtedness under this Mortgage. The full amount of any such premium paid by Mortgagee shall be payable by Mortgagor upon demand, and failure to pay same shall constitute an event of default under this Mortgage.

6.Financing Statements; Certain Expenses.

At the request of Mortgagee, Mortgagor will execute any financing statements, agreements or documents, in form satisfactory to Mortgagee which Mortgagee may deem necessary or advisable to establish and maintain a perfected security interest in the Chattels and any leases, chattel paper and income arising therefrom, and will pay the cost of filing or recording the same in all public offices deemed necessary or advisable by Mortgagee. If permitted by law, Mortgagor authorizes Mortgagee to file a financing statement with respect to the Chattels signed only by Mortgagee and to file a carbon, photograph or other reproduction of this Mortgage or of a financing statement. Mortgagor also agrees to pay all costs and expenses incurred by Mortgagee in conducting ICC, UCC, tax or other lien searches against the Mortgagor or the Chattels.

7.Waiver of Defenses Acknowledgment.

If Mortgagee assigns this Mortgage to a third party ("Assignee"), then after such assignment:

- (a) Mortgagor will make all payments directly to such Assignee at such place as Assignee may from time to time designate in writing;
- (b) Mortgagor agrees that it will settle all claims, defenses, setoffs and counterclaims it may have against Mortgagee directly with Mortgagee and will not set up any such claim, defense, setoff or counterclaim against Assignee, Mortgagee hereby agreeing to remain responsible therefor;
- (c) Mortgagee shall not be Assignee's agent for any purpose and shall have no authority to change or modify this Mortgage or any related document or instrument; and
- (d) Assignee shall have all of the rights and remedies of Mortgagee hereunder but none of Mortgagee's obligations.

8. Miscellaneous.

Mortgagor waives all exemptions. Mortgagee may correct patent errors herein and fill in such blanks as serial numbers and the like. Any provisions hereof contrary to, prohibited by or invalid under applicable laws or regulations shall be inapplicable and

deemed omitted herefrom, but shall not invalidate the remaining provisions hereof. Mortgagor and Mortgagee each hereby waive any right to a trial by jury in any action or proceeding with respect to, in connection with or arising out of this Mortgage, or any note or document delivered pursuant to this Mortgage. Mortgagor acknowledges receipt of a true copy and waives acceptance hereof. If Mortgagor is a corporation, this Mortgage is executed pursuant to authority of Directors. Except where the context otherwise requires, "Mortgagor" and "Mortgagee" include the successors or assigns of those parties but nothing herein shall authorize Mortgagor to assign this Mortgage or its rights in and to the Chattels. If more than one Mortgagor executes this Mortgage, their obligations under this Mortgage shall be joint and several. A letter or a telegram sent to Mortgagor at the address shown above, whether received by Mortgagor or not, will be sufficient notice or demand as to anything for which notice or demand is required. This Mortgage shall be construed and enforced under the laws of the State of Kansas.

If at any time this transaction would be usurious under applicable law, then regardless of any provision contained in this Mortgage or in any other agreement made in connection with this transaction, it is agreed that:

- (a) the total of all consideration which constitutes interest under applicable law that is contracted for, charged or received upon this Mortgage or any such other

agreement shall under no circumstances exceed the maximum rate of interest authorized by applicable law and any excess shall be credited to the Mortgagor; and

- (b) If Mortgagee elects to accelerate the maturity of, or if Mortgagee permits Mortgagor to prepay the indebtedness described in Paragraph 2, any amounts which because of such action would constitute interest may never include more than the maximum rate of interest authorized by applicable law, and any excess interest, if any, provided for in this Mortgage or otherwise, shall be credited to Mortgagor automatically as of the date of acceleration or prepayment.

This Chattel Mortgage may be executed in multiple counterparts. each of which will constitute an original.

IN WITNESS WHEREOF, Mortgagor has caused this Chattel Mortgage to be executed and sealed on its behalf by persons thereunto duly authorized, on JANUARY 17, 1996.

"Mortgagor"

Branson Scenic Railway, Inc.

[Corporate Seal]

By: X Thomas L. Johnson
Title: PRESIDENT

By: X Saul R. Kari
Title: Treas

By: X Thomas L. Johnson
Title: PRESIDENT

STATE OF Mo)
COUNTY OF Jackson) ss.

On this 22ND day of JANUARY, 1996, before me personally appeared THOMAS L. JOHNSON, to me personally known, who being by me duly sworn, says that he is the PRESIDENT of BRANSON SCENIC RAILWAY, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Carol V. Duncan
Notary Public

My Commission Expires:

2/28/97

2/28/97

ACCEPTED BY:

"Mortgagee"

Boatmen's Bank of Kansas

[Corporate Seal]

By:

Title:

Burd M. Crane
Vice President

STATE OF Missouri)

COUNTY OF Jackson) ss.

On this 9th day of February, 1995, before me personally appeared Burd M. Crane, to me personally known, who being by me duly sworn, says that she is the Vice President of Boatmen's Bank of Kansas, that the seal affixed to the foregoing instrument is the corporate seal of said bank, that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

Sally Lawson
Notary Public

My Commission Expires:

SHELBY LAWSON
Notary Public - Notary Seal
State of Missouri

My Commission Expires: February 27, 1998

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